

drug benefit, one of the first things that the conferees did was cut this fund in half, to \$20 billion—a number far too low to enact any sort of universal benefit for our nation's seniors. The conferees then took this other \$20 billion, which is vitally needed to fund a universal prescription drug benefit, and said that it should be used for other Medicare reforms, such as another round of adjustments to the payment rates for Medicare providers that were hit hard by the cuts in the Balanced Budget Act of 1997. But after touting this reserve fund as the key to a prescription drug benefit, they have essentially neutered themselves.

Even worse, the conferees removed the one provision that would have helped push a prescription drug benefit forward. The Senate budget resolution set a date of September 1 for the Finance Committee to report out a prescription drug bill. This deadline would have guaranteed that the Senate would at least consider prescription drug legislation this year. But the conferees stripped this deadline out of the bill. They have basically said: it is not important for the Senate to pass a bill to eliminate the "senior citizens' drug penalty."

I am by no means opposed to taking another look at the decisions we made in the Balanced Budget Act of 1997. I worked very hard last year in the Finance Committee on the Balanced Budget Refinement Act. And there ought to be room, in the context of a balanced budget, to provide further relief to health care providers who were hit hard by the cuts in the Balanced Budget Act of 1997.

We ought not to be limiting our Medicare reform efforts to \$40 billion, however, simply to free up additional funds for tax cuts. With this new limit, Republicans have essentially pitted a prescription drug benefit for seniors against additional relief for doctors, hospitals, nursing homes, and other health care providers. Republicans have decided that two important priorities must square off, so that we can provide billions of dollars in so-called "marriage penalty" tax relief to individuals who do not even incur a marriage tax penalty on their taxes.

Our nation's seniors deserve better than this. Last week, at least fifty-one Senators felt the same way. I urge every one of them, as well as Senators who opposed my amendment last week because they thought the \$40 billion reserve fund would guarantee a prescription drug benefit, to support my motion to recommit this bill. With its passage, we will be able to eliminate both the true marriage tax penalty and the "senior citizens' drug penalty."

UNANIMOUS CONSENT REQUEST—
H.R. 6

Mr. ROBB. Mr. President, I ask unanimous consent that we proceed to con-

sideration of H.R. 6, the Marriage Tax Penalty Relief Act, so that I may offer a motion to recommit the bill to the Senate Finance Committee.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. Reserving the right to object, I see this as an effort to delay passing the marriage tax penalty relief bill. Offering or voting for this motion is saying that the Senate does not want to fix the marriage tax penalty. Recommitting the bill is an attempt, I think, to kill the bill.

We are going to deal with the prescription drug problem. As I said in my opening comments this morning, Republicans have already set aside \$40 billion in our budget to do so. We do not need to delay fixing the marriage tax penalty in order to fix the Medicare problem. We have the resources and the time to do both.

Again, I think this is a transparent effort to kill marriage tax penalty relief, and, consequently, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Virginia.

Mr. ROBB. Mr. President, I accept the objection of my friend from Iowa. Under the conference agreement, the \$40 billion went in on the part of the Senate. Only \$20 billion came out; \$20 billion has already been diverted in the conference agreement. I recognize an objection has been offered. I will make my point.

The PRESIDING OFFICER. The time of the distinguished Senator has expired.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Montana.

The PRESIDING OFFICER. The distinguished Senator from Montana is recognized.

MARRIAGE TAX RELIEF

Mr. BURNS. Mr. President, I thank my friend from Iowa.

This has been an interesting debate on this part of the Tax Code, and I have been listening to this debate with a lot of interest. If there ever was something that needed fixing, it is unfairness in the Tax Code. I am not going to talk about a disincentive for folks to get married. I look at it from a standpoint of fairness.

Young couples who are starting out and trying to save a little money for the education of their children, or trying to pay for a home, these couples are penalized. They have dreams of participating in American opportunities, and they are kept from this by an unfair tax code. In Montana, 90,000 couples are penalized to the tune of \$51.5 million every year in extra taxes simply because they are Mr. and Mrs.

We made it pretty clear on this side of the aisle that tax reform is needed. If we have to do it one step at a time

or one inch at a time, then that is the way we will do it. That makes it very slow and very painful. Yet it has to be done.

According to the Congressional Budget Office, almost half of married couples pay higher taxes due to their married status. The marriage tax penalty increases taxes on affected couples \$29 billion per year. Currently, this marriage tax penalty imposes an average additional tax of \$1,400 a year on 21 million married couples nationwide.

I, along with my Republican colleagues, have made it clear that continued tax reform and tax relief is necessary, and I can think of no other tax that has such a dramatic impact on so many people. To some people, \$1,400 may not sound like a lot of money, but to a lot of Americans \$1,400 does mean a lot of money. Especially when it can be used for things like saving for education, or supporting young families, or a long list of things that need to be fixed around the house.

The marriage tax penalty can have significant negative economic implications for the country as a whole since the tax code can discourage some people from entering the workforce altogether.

Additionally, this is a good time for us to restore fairness for married people. No. 1, I think what we have seen this week in the stock market, what we have seen in the high-tech stocks, shows that we may not be in the real booming economy now that everybody thinks we are. No. 2, if you live in farm country, we know we are not in a booming economy. Look at our small towns around my State of Montana and all through farm country. We know what tough times are. And then to be penalized in your taxes just because you are married seems a little unfair.

I support this particular piece of legislation. I want the American people to know that we will take this one step at a time. After all, we did not get into this situation overnight. Maybe it will take one step just to get us out of this kind of a situation.

Mr. President, as I said, I rise in support of legislation currently on the floor that will put an end to the marriage tax penalty. We have been fighting this tax inequity for several years now. The people of Montana have spoken to me either through letters or conversation—they think this tax is unfair.

Last year, I met with a couple in Billings, MT, to determine the impact of this tax on them. Joshua and Jody Hayes paid \$971 more in taxes because they were married than they would have paid if they remained single.

In Montana, it is estimated that nearly 90,000 couples are penalized by this tax to the tune of \$51.5 million—solely for being married.